

Bermuda Container Line NGML Ready for business in the New Year!



This is the first of many on-going communications to keep you informed of changes that are occurring within the group. Within this newsletter update, you'll find pertinent information regarding the transfer of responsibilities from CSM to Neptune Group Management Limited (NGML), a BCL service update, information relating to the move to Philadelphia, transshipment service options, the 2014 sailing schedule, Q&A section and more. The first sailing date from Philadelphia is scheduled for March 7th, 2014.

We are also pleased to announce the launch of the Neptune Group website at www.ngl.bm.

READY FOR THE NEW YEAR

POSITIVE NEWS FOR BCL AND IMPORTERS

The official handover to NGML occurs on January 1st. Importers will be pleased to know that the Neptune Group Management Limited (NGML) team and staff are ready.

In addition, upon completion of the one remaining 4th quarter voyage, BCL cargo volumes will have increased year over year.

SISL numbers are also up year over year. This is encouraging news for all after 24 consecutive quarters of declining Bermuda import volume. Certainly one data point does not indicate a trend, but after ongoing visits with many importers, forwarders and NVOCCS, there are positive signs beginning to emerge.

CSM to NGML -

NEW ENERGY. SAME STRONG TEAM. THE NEW NGML TEAM IS EQUIPPED WITH 15 KEY OPERATIONAL PERSONNEL.

As mentioned, Bermuda customer service will be transitioned from CSM to NGML at year-end. NGML will provide full contact details later this month including the complete list of names of the Bermuda service team.

The seamless change in managers in just three months is possible as very little is changing in terms of BCL's key operational personnel. Most Bermuda importers, forwarders and consolidators will have worked for many years with Zina Mecca, Marylu Kelly and Lorraine Santiago for BCL's customer service support

in the US as well as BCL US General Manager and Head of Operations Chris Dubina and Kevin Grady.

Additionally, at least four experienced Bermuda shipping professionals will complete their employment with CSM and continue to serve BCL customers following the Christmas break.

Technical vessel management remains with BCL's existing ship manager in the US and all pricing and transshipment servicing is being handled by Barry Brewer. We have a highly experienced and capable team.

Below please find a list of key contacts and numbers. The names of all 15 team members will be posted on the new website in the upcoming days.

CUSTOMER SERVICE:

Zina Mecca:
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[As of January 1st
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OPERATIONS:

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2014 SAILING SCHEDULE

Please find below the 2014 BCL sailing schedule with holidays highlighted.



Week #	Oleander Voyage	Departs U.S.	Arrives Bermuda	Departs Bermuda	Arrives U.S.
1	1737	3-Jan	Mon Jan 06	7-Jan	9-Jan
2	1738	10-Jan	Mon Jan 13	14-Jan	16-Jan
3	1739	17-Jan	Mon Jan 20	21-Jan	23-Jan
4	1740	24-Jan	Mon Jan 27	28-Jan	30-Jan
5	1741	31-Jan	Mon Feb 03	4-Feb	6-Feb
6	1742	7-Feb	Mon Feb 10	11-Feb	13-Feb
7	1743	14-Feb	Mon Feb 17	18-Feb	20-Feb
8	1744	21-Feb	Mon Feb 24	25-Feb	27-Feb
9	1745	28-Feb	Mon Mar 03	4-Mar	6-Mar
10	1746	7-Mar	Mon Mar 10	10-Mar	13-Mar
11	1747	14-Mar	Mon Mar 17	17-Mar	20-Mar
12	1748	21-Mar	Sun Mar 23	24-Mar	27-Mar
13	1749	28-Mar	Sun Mar 30	31-Mar	3-Apr
14	1750	4-Apr	Sun Apr 06	7-Apr	10-Apr
15	1751	11-Apr	Sun Apr 13	14-Apr	17-Apr
16	1752	18-Apr	Sun Apr 20	21-Apr	24-Apr
17	1753	25-Apr	Sun Apr 27	28-Apr	1-May
18	1754	2-May	Sun May 04	5-May	8-May
19	1755	9-May	Sun May 11	12-May	15-May
20	1756	16-May	Sun May 18	19-May	22-May
21	1757	23-May	Sun May 25	26-May	29-May
22	1758	30-May	Sun Jun 01	2-Jun	5-Jun
23	1759	6-Jun	Sun Jun 08	9-Jun	12-Jun
24	1760	13-Jun	Sun Jun 15	16-Jun	19-Jun
25	1761	20-Jun	Sun Jun 22	23-Jun	26-Jun
26	1762	27-Jun	Sun Jun 29	30-Jun	3-Jul
27	1763	4-Jul	Sun Jul 06	7-Jul	10-Jul
28	1764	11-Jul	Sun Jul 13	14-Jul	17-Jul
29	1765	18-Jul	Sun Jul 20	21-Jul	24-Jul
30	1766	25-Jul	Sun Jul 27	28-Jul	31-Jul
31	1767	1-Aug	Sun Aug 03	4-Aug	7-Aug
32	1768	8-Aug	Sun Aug 10	11-Aug	14-Aug
33	1769	15-Aug	Sun Aug 17	18-Aug	21-Aug
34	1770	22-Aug	Sun Aug 24	25-Aug	28-Aug

■ USA Holiday
 ■ Bermuda Holiday
 ■ USA & Bermuda Holiday
 ■ First Philadelphia Sailing
 ■ Winter Schedule

Continued >>

2014 Sailing Schedule (Cont.)

Please find below the 2014 BCL sailing schedule with holidays highlighted.

Week #	Oleander Voyage	Departs U.S.	Arrives Bermuda	Departs Bermuda	Arrives U.S.
35	1771	29-Aug	Sun Aug 31	1-Sep	4-Sep
36	1772	5-Sep	Sun Sep 07	8-Sep	11-Sep
37	1773	12-Sep	Sun Sep 14	15-Sep	18-Sep
38	1774	19-Sep	Sun Sep 21	22-Sep	25-Sep
39	1775	26-Sep	Sun Sep 28	29-Sep	2-Oct
40	1776	3-Oct	Sun Oct 05	6-Oct	9-Oct
41	1777	10-Oct	Sun Oct 12	13-Oct	16-Oct
42	1778	17-Oct	Sun Oct 19	20-Oct	23-Oct
43	1779	24-Oct	Sun Oct 26	27-Oct	30-Oct
44	1780	31-Oct	Mon Nov 03	3-Nov	6-Nov
45	1781	7-Nov	Mon Nov 10	10-Nov	13-Nov
46	1782	14-Nov	Mon Nov 17	17-Nov	20-Nov
47	1783	21-Nov	Mon Nov 24	24-Nov	27-Nov
48	1784	28-Nov	Mon Dec 01	1-Dec	4-Dec
49	1785	5-Dec	Mon Dec 08	8-Dec	11-Dec
50	1786	12-Dec	Mon Dec 15	15-Dec	18-Dec
51	1787	19-Dec	Mon Dec 22	29-Dec	1-Jan-15
52	1788	2-Jan-15	Mon Jan 5	5-Jan	8-Jan

*All Dates Subject to Change and Weather Permitting

■ USA Holiday
 ■ Bermuda Holiday
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 ■ First Philadelphia Sailing
 ■ Winter Schedule

HOLIDAY SCHEDULE 2014

OFFICE	DATE	HOLIDAY
BERMUDA/U.S.	Wednesday, January 1st	New Year Holiday
U.S.	Monday, January 20th	Martin Luther King Jr. Day
U.S.	Monday, February 17th	President Day
BERMUDA	Friday, April 18th	Good Friday
BERMUDA	Monday, May 26th	Bermuda Day
U.S.	Monday, May 26th	Memorial Day
BERMUDA	Monday, June 16th	National Heroes' Day
U.S.	Friday, July 4th	Independence Day
BERMUDA	Thursday, July 31st	Cup Match Day
BERMUDA	Friday, August 1st	Somers Day
BERMUDA/U.S.	Monday, September 1st	Labour Day
U.S.	Monday, October 13th	Columbus Day
BERMUDA	Tuesday, November 11th	Remembrance Day
U.S.	Thursday, November 27th	Thanksgiving
BERMUDA/U.S.	Thursday, December 25th	Christmas Day
BERMUDA	Friday, December 26th	Boxing Day

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[As of Jan 1st]

Q & A

QUESTIONS & ANSWERS

There are many misperceptions in the market and the following is intended to assure customers that all is well and that the decisions that have been made were the right ones – and were made at the right time, for the right reasons.

How much shipping experience does the NGML team have?

There is an average of 28 years of shipping experience for the eight employees of BCL's US General agency company and an average of 20 years of shipping experience for the initial seven employees of NGML in Bermuda. The Management Team leaders average nearly 30 years of shipping experience.

What is different about the new Neptune Group management team is that the service structure is no longer separated by geography and is now structured as three core functions: Customer Service, Operations and Finance, with our experienced US management and logistics teams providing available and capable leadership and support in appropriate areas. Non-core functions are outsourced. The team is ready.

How ready is BAL and NGML to take over BCL's operations?

There are 15 key BCL service personnel who are either already existing and in place (including the entire BAL team in New Jersey), or are longtime BCL service experts (well known by the importers) that have been contracted with NGML in Bermuda. Bermuda customer service will be transitioned from CSM to Neptune at year-end.

What is BCL's new documentation system?

The Vilden documentation system is tried and tested, and has been in use globally for 40+ years. This is not a new software application with all of the associated risks. The Vilden Global Liner System (VGLS) was created in 1978 and is a fully integrated Shipping Liner and Agency application. The system provides BCL with a complete platform for managing the commercial and operational aspects of ocean carriers from the receipt of customer rate quotations, cargo bookings, local, regional and global equipment tracking, tracing and management, complete documentation modules for the load and discharge



operations, intermodal operations, financial information and controls, electronic communications (EDI) with trading partners and government agencies, electronic document transmissions via the internet, database access security through virtual private networks and more. BCL staff have now been trained in the use of the Vilden system and it will continue to be customized to BCL's needs in the coming weeks.

When will BCL move its operations to Philadelphia?

The Oleander Voyage 1746 will depart Philadelphia at noon on Friday, March 7th, 2014. The receiving of containers will be until 10.00 a.m. on Friday (sailing day). Every Friday, delivery containers will be expedited through a dedicated Fast Track gate. BCL is also considering a late gate facility for Thursday evening deliveries depending upon customer need. Bermuda Agencies Limited staff will remain in Newark, other than our terminal management team.

How many importers are planning to move to Philadelphia?

In discussions with our NVOs and Forwarding partners, and in discussions with shippers and importers, most are still conducting

operational due diligence and cost benefit analysis regarding their shipment routing. Most are weighing up their shipper purchasing terms and potential savings and/or additional costs related to shipping to Bermuda over Philadelphia versus New York.

Some are finding that the majority of their cargo originates nearer to Philadelphia while others have key vendor and logistic partners nearer to New York. Those that have already visited Philadelphia understand that Philadelphia is hungry for their business and has vendors and facilities for consideration.

BCL has made it very clear that we remain committed to supporting the valuable services that our longtime consolidation and forwarding partners have provided over the year, wherever they choose to locate.

Will BCL achieve the targeted saving in terminal costs and administrative expense?

The NGL group remains in a very strong financial condition with zero debt. Importers and Shareholders were advised that the principal reason for the move to Philadelphia and insourcing of management function was to lower operating costs while the Bermuda

Questions and Answers Continued >>>

market remains in recession. With the continued support of BCL's customers, BCL will quickly return to an operating profit by moving to Philadelphia after all move related expenses are paid. Significant administrative cost savings will more than be achieved.

What are importer transshipment options over Philadelphia?

There are strong service options to consider. One of the reasons that Holt Terminal in Philadelphia was selected was to protect critical transshipment connections for importers from continents around the world. We are currently reviewing all CCAs (Connecting Carrier

Agreements) to amend rates and terms for the Philadelphia move. BCL's current transshipment partners are: ACL, ZIM, Hapag Lloyd, Hamburg Sud, MSC, Seaboard Marine, Wallenius/Wilhelmsen. BCL is now contracting with some of the services that operate through Holt including: Maersk, Hamburg Sud, Horizon, CMA, CSAV.

The most urgent attention is directed toward providing new and competitive transshipment rates to importers. For carriers that provide connections over Port Elizabeth or Baltimore only, there is a likely increase in cost as their containers will need to be trucked from Port Elizabeth or Baltimore to Philadelphia and the empties

will need to be returned. European and other vehicles and other Ro/Ro cargo will be delivered to Philadelphia via in bond transportation carriers.

Please contact Barry or Zina for transshipment quotes over Philadelphia.

Can BCL receive break-bulk, Roll On Roll Off and out of gauge project cargo at the new Holt Terminal?

Yes we can. Holt Terminal will once again enable BCL to receive non-containerized out of gauge cargo for Ro Ro or heavy lift service at the terminal. BCL can also provide project staging capability.

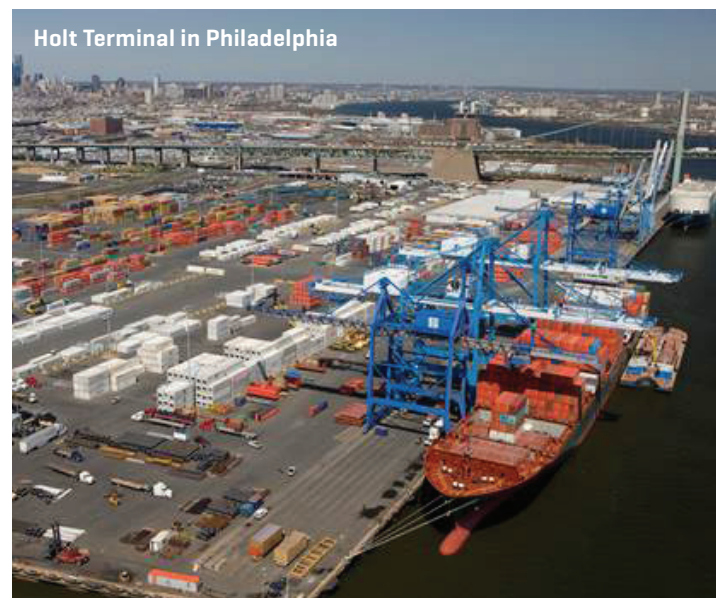
Direct Philadelphia Service	MSC	Hamburg Sud	CMA CGM	CSAV	Horizon Lines	Marfret
Shipping Service Locations	Round the world service. Largest global carrier. Multiple port options in each continent and many countries.	Latin America Oceania	Australia French Polynesia	Latin America	Puerto Rico	Mexico Australia French Polynesia
Continued Service over Port Elizabeth	ACL	ZIM	Hapag Lloyd	SeaBoard Marine	Wallenius Wilhelmson	
Shipping Service Locations	UK Europe	Round the world - 96 country service	Round the world	Caribbean and Latin America	Global vehicle service	

First Philadelphia sailing is on Friday, March 7th, 2014

A DRY RUN TO HOLT TERMINAL IN PHILADELPHIA WILL ALSO BE COMPLETED FOLLOWING THE CHRISTMAS BREAK

During the traditional Christmas week layover, the Oleander will leave a few days early to complete a dry run to Holt Terminal in Philadelphia. The purpose is to confirm our expected transit times and minimize the possibility of

any operational issues that might arise. The Oleander will also deliver a load of empty containers to begin the process of relocating to Philadelphia in Q1. This will also reduce the cost of moving BCL's equipment down the road.



Holt Terminal in Philadelphia